

3 portion is in the form of a receiving groove.

Claim 4 (previously amended):

1 4. The tool holder as defined in claim 2, wherein said second locating element of said portion
2 is in the form of a protrusion and said first locating element of said retaining portion is in the
3 form of a receiving groove.

Claim 5 (previously presented):

1 5. The tool holder as defined in claim 1, wherein said retaining portion and said marking
2 portion are respectively formed such that said marking portion is slidably received in said
3 retaining portion.

Claim 6 (previously presented):

1 6. The tool holder as defined in claim 1, wherein said retaining portion is constructed in the
2 form of a channel so as to allow said marking portion to be slidably received in said retaining
3 portion.

Claim 7 (previously presented):

1 7. The tool holder as defined in claim 1, wherein said retaining portions are slidably mounted
2 on said tool holder.

REMARKS

Claims 1-7 remain in this application. Claim 1 is amended. No new matter is introduced.

Applicant would like to gratefully acknowledge the courtesy and kind discussions granted by Examiner Gehman during a telephone interview on 05/23/05.

Claims 1-2 are rejected under 35 U.S.C. §102(b) as being anticipated by Dempsey (506,102), Williams et al (4,557,389), or Ramsey et al (6,168,018). Furthermore, Claims 1-4 are rejected under 35 U.S.C. §103(a) as being unpatentable over Wobber (1,560,009) and Arblaster (3,397,434); Claims 1-3 are rejected under 35 U.S.C. §103(a) as being unpatentable over Feldman et al (1,840,193).

Applicant respectfully submits that, as discussed during the telephone interview, one of the key differences between the present invention and those taught in the Dempsey, William et al and Ramsey et al references is that all those prior devices taught a common retaining body; whereas the present invention recites a tool holder that contains a plurality of distanced retaining members ("portions") that are *movable relative to each other*. Applicant has amended Claim 1 to more explicitly add this limitation to the claim language. As discussed during the interview, this amendment should remove the Examiner's Section 102 anticipation rejection.

With regard to the Section 103 obviousness type rejection, Applicant respectfully submits that the key element of the present invention is not how the marking portion is affixed to the retaining portion. Rather, Applicant respectfully submits, it is the idea of using a plurality of removable marking portions on a plurality of movable retaining portions that forms the gist of the present invention. With the present invention, the tool holder is made much more flexible and useful in that it is able to accommodate a greater number of different sized tools with a fixed number of retaining portions. Another advantage of the present invention is that the tool holder manufacturer can sell the same tool holder with two sets of marking portions, e.g., one for the US system and other for the metric system. Applicant would like to remind the Examiner that "The discovery of a problem calling for an improvement is often a very essential element in an invention correcting such

a problem. Though the problem, once realized, may be solved by use of old and known elements, this does not necessarily negative patentability." In re Bisley, 94 U.S.P.Q. 80 (C.C.P.A. 1952).

In In re Jones, the Court of Appeals for the Federal Circuit (CAFC) stated that "before the PTO may combine the disclosures of two or more prior art references in order to establish *prima facie* obviousness, there must be some suggestion for doing so, found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art". In re Jones, 21 USPQ2d 1941 (Fed. Cir. 1992). Applicant understands that the Section 103 obviousness rejection is a very subjective matter. However, Applicant respectfully submits that it is clear that none of the prior art references suggested the use of a plurality of removable marking portions on a plurality of movable retaining members to increase the range of tools that can be held by a tool holder. Since no such suggestion can be found in any of the prior art references cited by the Examiner, it does not seem to be fair to hold the present invention obvious.

Again, Applicant would like to thank Examiner Gehman for the courtesy extended to Applicant's attorney of record during the telephone interview. However, Applicant respectfully submits that, in light of the foregoing, it is believed that the present invention is in condition for allowance. And Applicant respectfully requests that a timely Notice of Allowance be issued in this case. If the Examiner has any question, he or she is invited to call or fax Applicant's counsel at the telephone numbers below.

Respectfully Submitted,



5/23/05

Date

PTO Customer No. 022192

W. Wayne Liauh, Reg. No. 34,212
Law Office of Liauh and Associates
4224 Waiialae Ave., Suite 5-388
Honolulu, HI 96816
Telephone: (775) 363-2886
Telecopier: (775) 599-0768